

GLOBAL CLIMATE CHANGE

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Peru is one of the world's most biodiverse countries, and USAID's climate change program is helping the country confront threats to its biodiversity as well as to the carbon sinks of its vast tropical forests. Policy reforms and improved management of protected areas are important strategies to meeting these challenges. Climate change activities also include supporting the use of environment-friendly technologies to reduce industrial and urban pollution.

Background. Located in South America, Peru possesses some of the most varied scenery on the continent, including the Peruvian Andes, coastal deserts, farmland oases, fishing villages, and the Amazon Basin, which occupies half of Peru and is one of the world's top 10 biodiversity hot spots. Its biological resources are unusually heterogeneous, and many of the ecosystems that house these resources are extraordinarily fragile. Many of these natural wonders are in danger due to environmental threats. For example, Peru's tropical forests, which are the fourth largest in the world, are increasingly threatened by shifting migration patterns, unsustainable logging and forest product extraction, and the destructive impact of coca production/processing. Protecting these vast carbon sinks is an important objective of USAID's environmental program in Peru, as is overall sustainable use of Peru's natural resources.

Sector-Specific Climate Change Activities. To promote economic growth based on the sustainable use of Peru's natural resources, USAID focuses on four environmental concerns – industrial pollution, urban pollution, threatened biodiversity, and tropical forest loss.

USAID addresses these environmental issues through a variety of programs that:

- Strengthen public and private institutions, improve the legal framework, and establish local environmental management systems
- Promote sustainable forest management, including forest product certification
- Introduce environmentally friendly industrial technologies to reduce pollution and improve efficiency
- Improve the management of biodiversity in protected areas and buffer zones
- · Reduce environmental threats to human health
- Increase environmental awareness and public demand for sound environmental management
- Enhance Peru's potential to attract investment and generate jobs and income

Clean Production/Technology. The Peruvian Cleaner Production Center was established to provide assistance to industrial plants to become more competitive through the efficient use of inputs and the reduction of waste, with the ultimate result of mitigating greenhouse gas (GHG) emissions. This Center provides information and technical assistance for

USAID's partners in climate change activities in Peru include*:

- Americas Fund
- · Banco de Credito
- Center for Forest Development (CEDE-FOR)
- Exportimo
- · Government of Switzerland
- Magensa
- · World Wildlife Fund (WWF)
- * Because partners change as new activities arise, this list of partners is not comprehensive.

industries on clean production and has a loan program for capital projects that improve efficiency and reduce pollution. USAID has contributed \$1 million for the establishment of the Center, as have the Swiss government and the Inter-American Development Bank. In turn, the Peruvian government has committed \$250,000 for the same purpose. USAID is also promoting the International Organization for Standardization (ISO) 14000 certification and providing assistance to the fisheries sector and other priority industrial sectors. Likewise, the production vice-ministries (industries and fisheries) are receiving assistance for improving their legal and institutional framework.

Policy Reform. USAID is also facilitating the passage of significant environmental laws and policy in Peru. For example, the forestry law, supported by USAID, calls for the application of management plans for forest concessions and provides a more solid property rights framework that will attract investments in the forestry sector. Also, the Natural Protected Areas Regulation introduces the progressive concept of incorporating public participation in the management of protected areas, as does the Forestry Law for forest concessions. Finally, national air quality standards and maximum permissible limits for a series of pollutants, including GHGs, were issued with support from USAID.

Protected Area Management. USAID is supporting improved management plans and their implementation in several national protected areas. These areas have programs ranging from sustainable harvesting of resources to ecotourism to sustainable agriculture and forestation. To assist in the implementation of these plans, USAID has helped establish and train numerous management committees. For example, in 2001, USAID helped produce an exemplary management plan for the Pacaya Samiria National Reserve. This plan was produced in a highly participatory manner involving donors such as USAID and the Spanish International Cooperation Agency as well as stakeholders such as the U.S. World Wildlife Fund. As a result of this plan, the reserve is much richer in biological diversity, from the increase in palm trees and river turtles to other key flora and fauna improvements.

For more information on Peru, visit USAID/Peru's Mission Web site at:

• http://ww.usaidperu.org.pe/